AVIVA INVESTORS UK FUND SERVICES LIMITED

Registered in England and Wales No. 01973412

Annual Report and Financial Statements 2024

Contents

Directors and officers

Directors
J D Barber
M J Bell
A J Coates (Independent Non-Executive Director)
M J W Kingdon
J Lowe (Independent Non-Executive Director)
K E McClellan

Officer - Company secretary
Aviva Company Secretarial Services Limited
80 Fenchurch Street
London
EC3M 4AE

Independent auditors
Ernst & Young LLP
25 Churchill Place
London
E14 5EY

Registered office
80 Fenchurch Street
London
EC3M 4AE

Company number
Registered in England and Wales: No. 01973412

Other Information
Aviva Investors UK Fund Services Limited ('the Company') is authorised and regulated by the Financial Conduct Authority ('FCA') in the United Kingdom ('UK').

The Company is a wholly owned subsidiary of Aviva Investors Holdings Limited, which is the holding company for the majority of the companies forming the Aviva Investors group ('the Group' or 'Aviva Investors'), and is a member of the Aviva plc group of companies ('Aviva Group' or 'Aviva plc').

Strategic report

The Directors present their Strategic report for the Company for the year ended 31 December 2024.

Review of the Company's business

Principal activities

The Company is a private limited company, incorporated under the laws of England and Wales. The principal activities of the Company are the sale and management of Open Ended Investment Company ('OEIC') funds, Authorised Unit Trust funds, a range of Authorised Contractual Schemes ('ACS'), and the management of Individual Savings Accounts. In addition, the Company acts as the Alternative Investment Fund Manager ('AIFM') for a range of real estate funds, structured as English Limited Partnerships ('ELP').

Financial position and performance

The financial position of the Company at 31 December 2024 is shown in the Statement of financial position on page 19, with trading results shown in the Statement of comprehensive income on page 17 and the Statement of cash flows on page 20.

The Company made a profit after tax of £4,267,000 (2023: £7,174,000).

Revenue net of fee expenses was £28,571,000 which is stable compared to £28,327,000 in 2023.

Administrative expenses increased by 78% to £11,746,000 (2023: £6,594,000) as a result of lower VAT recoveries in 2024.

Consequently, the Company made a profit before tax of £4,276,000 (2023: £9,366,000).

The Company’s cash and cash equivalents balance decreased by £9,555,000 compared to the prior year, driven by settlements of amounts due to fellow Aviva Group companies and the payment of a dividend of £16,000,000.

Total equity decreased by £11,733,000 to £26,588,000, reflecting profit after tax of £4,267,000 (2023: £7,174,000) offset by the payment of the dividend of £16,000,000 (2023: £10,000,000).

Section 172 Statement

We report here on how our Directors have performed their duties under Section 172(1) ('S.172') of the Companies Act 2006.

S.172 sets out a series of matters which the Directors must have regard to when performing their duty to promote the success of the Company for the benefit of its shareholders, including having regard to other stakeholders.

The Aviva Investors UK Fund Services Limited Board ('the Board') considers it crucial that the Company maintains a reputation for high standards of business conduct. The Board is responsible for establishing, monitoring and upholding the culture, values, standards, ethics and reputation of the Company to ensure that our obligations to our stakeholders are met. The Board monitors adherence to our policies and compliance with local corporate governance requirements and is committed to acting where our business falls short of the standards we expect.

The Board is also focussed on the wider social context within which our businesses operate, including those issues related to climate change which are of fundamental importance to the planet's wellbeing.

The Company is a wholly owned subsidiary of Aviva plc. The Aviva Group Annual Report and Accounts 2024 includes the activities of the Company and provides the information required by the Non-financial and Sustainability Information Statement for the Aviva Group as a whole. Further information on the Aviva Group's climate-related financial disclosures can be found on the Sustainability section of the Aviva Group's website, alongside entity-level Climate-related reporting for the Company (*https://www.aviva.com/sustainability*).

Our culture

Our culture is shaped, in conjunction with the wider Aviva Group, by our clearly defined purpose – with you today, for a better tomorrow. As the provider of financial services to millions of customers, we seek to earn their trust by acting with integrity and a sense of responsibility at all times. We look to build relationships with all our stakeholders based on openness and transparency and we value diversity and inclusivity in our workforce and beyond.

Strategic report (continued)

Key strategic focus in 2024

For each matter that comes before the Board, the Board considers the likely consequences of any decision in the long term, identifies stakeholders who may be affected, and carefully considers their interests and any potential impact as part of the decision-making process.

Aviva Investors is an asset manager that combines multi asset solutions, active investment specialisms and sustainability expertise to deliver investment outcomes that matter most to clients. Aviva Investors manages £238 billion (2023: £227 billion) of assets, with £199 billion (2023: £189 billion) managed on behalf of Aviva Group.

Through our skills and expertise in asset allocation, portfolio construction and risk management, we provide a range of asset management solutions to Aviva Group and our institutional, insurance and wealth clients. Our focus on sustainability continues to be demonstrated by our investment strategy and actions in 2024.

Our goal is to be the best asset manager for Aviva Group while also leveraging our investment expertise for the benefit of external clients.

The key drivers of our strategy are:

- Growth: continue to support Aviva's Insurance, Wealth and Retirement business growth in annuities, workplace pensions, and wealth, and our external business, through our multi-asset solutions, active specialisms, and sustainable product offering.
- Customer: deliver an exceptional client experience through strong investment returns, rigorous risk and control culture, underpinned by sustainability considerations.
- Efficiency: reduce the number of suppliers and enhance the use of data and technology whilst maintaining strong cost controls to drive operational efficiency and better customer outcomes.
- Sustainability: underpin the execution of our business strategy by understanding and delivering on investors' unique sustainability preferences.

We have a highly diversified range of capabilities, with active specialisms across private and public markets including real estate, infrastructure, private credit, listed equities, and a range of fixed income offerings.

Our stakeholders

The Board recognises that stakeholders have diverse interests and that these interests need to be heard. Engaging with our stakeholders is essential to understand what matters most to them and the likely impact of any key decisions.

Details of how we engaged with our different groups of stakeholders during 2024 can be found on the following pages. The Board regularly reviews its engagement mechanisms with stakeholders to ensure they remain effective.

Strategic report (continued)

Our stakeholders (continued)

Our People

Our people's wellbeing and commitment to serving our customers are the foundations for our performance.

How have we engaged?	Outcomes and actions during the year
• The Company has no employees. The staff engaged in the activities of the Company are employed by fellow subsidiary undertakings of Aviva plc. As part of the Aviva Group, these staff enjoy the benefit of the Aviva Group policies and benefits made available to them. • Aviva Investors' engagement mechanisms align with those of the Aviva Group, such as employee forums, global internal communications and informal meetings. • Aviva Investors recognises the benefits of a diverse workforce and an inclusive culture. As a result there has been significant activity and investment on inclusive culture including training and awareness, whilst focusing on the diversity of the workforce and ensuring Aviva Investors continues to retain and attract talent. • The Aviva Group always aims to provide an inclusive working environment where talent is developed, performance is rewarded, support is provided and our differences are valued. • Our people have the opportunity to share in the business' success as shareholders through membership of the Aviva Group's global share plans. All employees are eligible for our global share plans. • The Aviva Investors CEO hosted interactive sessions with colleagues throughout the year to answer questions and receive feedback.	• Aviva Group updated the Diversity, Equity and Inclusion Statement to reflect its commitment to diversity and inclusion initiatives. • The Voice of Aviva 2024 survey engagement score remains at 80%, consistent with 2023.

Customers

Understanding what's important to our customers is key to our long-term success.

How have we engaged?	Outcomes and actions during the year
• The Board received regular reporting on customer experience, customer journeys, customer service levels and outcomes and customer related strategic initiatives. • Value Assessments ('VA') are conducted for each of the regulated funds managed by the Company annually to determine if funds offer value to investors, and that their costs and charges are justified in this context. The VA reports are approved by the Board. The Board also reviewed and approved new fund launches which are designed to meet customers long term investment needs. • The Board supported the delivery of our customer strategy and reviewed its progress as part of the strategic delivery updates to Board meetings. • The Board, together with the Aviva Investors Risk Committee, focused on the implementation of the FCA's Consumer Duty and how this impacted customer experience.	• The Aviva Investors Risk Committee Terms of Reference were strengthened in their oversight of Consumer Duty and it was agreed that a Consumer Duty dashboard be reviewed on a quarterly basis.

Strategic report (continued)

Our stakeholders (continued)

Shareholders Our ultimate shareholder is Aviva plc.	
How have we engaged?	**Outcomes and actions during the year**
• The Company's ultimate shareholder is Aviva plc and there is ongoing communication and engagement with the Aviva Group Board. Any Board matters requiring escalation are managed through the Chair to its immediate parent, Aviva Investors Holdings Limited, and, where required, to the Aviva Group Board. • The 2024 Aviva Group AGM took place in York, a place where Aviva has had a presence since the 1960s, which gave the Aviva Group Board an opportunity to meet local retail shareholders.	• As a result of positive feedback received from shareholders regarding hosting the AGM outside of London, the Aviva Group Board has decided to hold the 2025 AGM in Bristol providing another opportunity to meet local retail shareholders.

Regulators As a global asset management business, we are subject to financial services regulation and approvals in all the markets we operate in.	
How have we engaged?	**Outcomes and actions during the year**
• We maintain a constructive and open relationship with the FCA and have a programme of regular meetings between the Directors (including Non-Executive Directors), Aviva Investors' Senior Management and its Compliance function, and the FCA. • Regulators engaged with us to discuss their objectives, priorities and concerns, and how they affect our business. • Continued focus on Consumer Duty with training provided to the Aviva Group and subsidiary boards.	• Regulatory priorities were regularly discussed at Board and Aviva Investors Audit and Risk Committee meetings. • The Board, together with the Risk Committee, monitored and received regular updates on the implementation of the FCA's Consumer Duty and requested quarterly updates to ensure appropriate oversight.

Communities We recognise the importance of contributing to our communities through volunteering, community investment, and long-term partnerships.	
How have we engaged?	**Outcomes and actions during the year**
• Aviva Investors is committed to systematically embedding Environmental, Social and Governance ('ESG') considerations across the Aviva Investors business. This includes the development of asset class specific ESG integration policies; the build out of enhanced ESG research capabilities, including new proprietary ESG data tools; and extensive sustainability training for global investment desks. • The Board reviewed and recommended the approval of the entity level Taskforce on Climate-related Financial Disclosures ('TCFD') report for the Company. • The Board received quarterly reporting on key climate metrics throughout the year. • A skillsbooster training module was launched across Aviva Group with a focus on developing a sustainability mindset, alongside relaunched Human Rights and Modern Slavery modules available to all Aviva Group employees.	• Employees engaged across Aviva Investors were offered the opportunity to volunteer their time to support charities and organisations, with over 1,771 volunteering hours recorded. • The latest round of the Aviva Community Fund focused on projects which help improve financial resilience, promoting the vital work that Citizens Advice and Money Advice Trust offer in supporting our communities.

Strategic report (continued)

Our stakeholders (continued)

<table>
<tr><td colspan="2">Suppliers
We operate in conjunction with a wide range of suppliers to deliver services to our customers. It is important that we build strong working relationships with our intermediaries.</td></tr>
<tr><td>How have we engaged?
The Company, through the Aviva Investors Risk Committee, maintains oversight of the management of its most important suppliers and reviews reports on their performance. Aviva Investors has continued to work on the simplification of its supplier model in collaboration with HSBC, Mount Street and BNY Mellon.
The Board delegates engagement with suppliers and oversight to senior management.
All supplier related activity is managed in line with the Aviva Group Procurement and Outsourcing business standard. This ensures that supplier risk is managed appropriately in relation to customer outcomes, data security, corporate responsibility, and financial, operational and contractual issues.
The Board, via reporting from the Aviva Investors Risk Committee, was kept updated on the development of any key supplier risk.
The Aviva Investors Risk Committee, on behalf of the Board, reviewed the Aviva Group's cyber risk and control environment including the threat posed by the risk of ransomware attacks on both the Aviva Group and our material third party suppliers.
The Aviva Investors Risk Committee maintains oversight of the management of its most important suppliers and reviews reports on their performance.
The Board reviewed the Company's engagement with its broader supply chain as part of its annual approval of the Modern Slavery Act Statement.
</td><td>Outcomes and actions during the year
Improved reporting on supplier risk was presented to the Aviva Investors Risk Committee as part of the continuing programme of supplier oversight.
To ensure continued efforts to strengthen controls, the Procurement and Outsourcing business standard was refreshed for 2024.
Aviva Group continued to hold its Net Zero supplier summit.
Following the winding up of the Prompt Payment Code in November 2024, Aviva Group has been granted a new Fair Payment Code award and has provided supporting evidence of payment performance, standard contract terms, and supplier references.
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Strategic report (continued)

Future outlook

Strategies for the Aviva Group as a whole are determined by the Board of Aviva plc and these are shown in the Aviva Group Annual Report and Accounts 2024. The Company will continue to work with the Aviva Group to support the implementation of these strategies.

The strategic direction of the Company is set by the Directors of the Company. The Directors consider that the Company's principal activities will continue unchanged for the foreseeable future.

The Company is well positioned to compete by leveraging the power of Aviva Group's breadth of offering within the UK and its other core markets to deliver compelling propositions to meet our customer needs, alongside driving simplification through customer services, propositions and ensuring we are easy for customers to do business with, however they choose.

Key business strategic priorities for 2025:

- Continued improvement in investment performance.
- Capitalising on growth opportunities through our strengths in multi-assets solutions, our active specialisms and sustainable investing.
- Innovate in private markets including the launch of our Venture Capital fund and expanding our market leading workplace pension proposition.
- Ongoing focus on simplifying our business to deliver efficiency benefits.
- Understand and deliver on investors' sustainability preferences in partnership with our clients, including through the sustainability characteristics of our core products as well as through the sustainability products and solutions.

Principal risks and uncertainties

A description of the principal operational and financial risks and uncertainties facing the Company and the Company's risk and capital management policies are set out in Note 14 to the financial statements.

The Company is directly exposed to the risks associated with operating an asset management business. The underlying risk profile of our asset management risk is derived from investment performance, retention of specialist investment professionals and leadership, product development capabilities, fund liquidity, margin, client retention, regulatory developments, operational resilience and fiduciary and contractual responsibilities. Funds invested in illiquid assets are particularly exposed to liquidity risk. The risk profile is regularly monitored.

Risk factors beyond the Company's control that could cause actual results to differ materially from those estimated include, but are not limited to:

- Market risk, the risk of loss or adverse change in the financial situation (including the value of assets, liabilities and income) resulting, directly or indirectly, from fluctuations in the level or the volatility of market variables, such as interest rates, foreign exchange rates, equity, property and commodity prices.
- Credit risk, the risk of adverse financial impact resulting from fluctuations in credit quality of third parties including default, rating transition and credit spread movements.
- Outsourcing risk, the risk of significant organisational disruption and reputational loss resulting from engaging third parties to provide services.

A client relationship team is in place to manage client retention risk, while all new asset management products undergo a review and approval process at each stage of the product development process, including approvals from Legal, Compliance and Risk functions. Investment performance against client objectives relative to agreed benchmarks is monitored as part of our investment performance and risk management process, and subject to further independent oversight and challenge by a specialist risk team, reporting directly to the Aviva Investors Chief Risk Officer.

Strategic report (continued)

Principal risks and uncertainties (continued)

Credit, market, and liquidity risks may be impacted by uncertainty over prospects for future macroeconomic growth, inflation, credit and interest rates, and the response of Central Banks, which could adversely impact the valuation of investments or credit default experience in the assets being managed, and the level of future investment returns. We regularly monitor exposures and employ both formal and ad-hoc processes to evaluate changing market conditions.

Market and credit risks may also be impacted by climate change, potentially resulting in reputational impact from not being seen as a responsible steward/investor, as well as adversely impacting economic growth and investment markets. This also includes transition risks for investments relating to the impact of the transition to a low carbon economy. The Aviva Group Chief Risk Officer is responsible for ensuring climate-related risks and opportunities are identified, measured, monitored, managed and reported through our risk management framework and in line with our risk appetite.

The Aviva Group Annual Report and Accounts 2024 includes the activities of the Company and provides the information required by the Non-financial and Sustainability Information Statement for the Group as a whole. Aviva Group publish Climate-related Financial Disclosure reports in accordance with the recommendations of the TCFD. This report includes, within the Appendix, the entity-level reporting for the entities under the FCA's PS 21/24 Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers, which includes Aviva Investors UK Fund Services Limited. The report is available at https://www.aviva.com/sustainability/reporting/climate-related-financial-disclosure/.

The Board provides leadership for Aviva Investors UK management company responsibilities within a framework of prudent and effective controls which enables risks (including climate-related risks and opportunities) to be assessed and managed. During the year, the Board approved the launch of the Aviva Investors Multi-Sector Private Debt Long-Term Asset Fund, a fund designed to meet growing demand of UK institutional clients for diversification through access to private markets, specifically real estate debt, infrastructure debt, private corporate debt and corporate finance. In January 2025, the Board approved the launch of the Aviva Investors Venture & Growth Capital Long-Term Asset Fund, a fund designed to address Mansion House commitments which require signatories to commit to having 5% of default defined contribution schemes in unlisted equity by 2030. Lastly, amongst other things, the Board also approved strategic updates to Aviva Investors' US Equity Income fund range in February 2025.

Key performance indicators

The Company's financial key performance indicators ('KPIs') are those that are used by the Directors to measure the Company's success in achieving targets and include the following:

Measure	2024	2023	Change
Profit before tax (£'m)	4.3	9.4	(5.1)
Average OEIC and Authorised Unit Trust funds under management (£'m)	15,861	15,692	169
Average ACS funds under management (£'m)	64,509	66,715	(2,206)
Average ELP funds under management (£'m)	5,266	5,726	(460)

The decrease in profit before tax is explained in the Financial position and performance section above.

The decrease in the average ACS funds under management is a result of material transfers of funds under management, while the average OEIC and ELP funds under management values remain relatively stable, reflecting market movements.

On behalf of the Board

DocuSigned by:
Matthew Kingdon
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M J W Kingdon
Director
23 April 2025

Aviva Investors UK Fund Services Limited

Annual Report and Financial Statements 2024

Registered in England and Wales: No. 01973412

Directors' report

In accordance with Section 415 of the Companies Act 2006 (the Act), the Directors present their report for the year ended 31 December 2024.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were;

J E Adamson	(resigned on 12 January 2025)
J D Barber	(appointed on 1 January 2025)
M J Bell	
A J Coates	
M D T Craston	(resigned on 16 April 2024)
B A Fowler	(resigned on 15 January 2025)
M J W Kingdon	(appointed on 12 March 2025)
J Lowe	
K E McClellan	
S Winstanley	(resigned on 31 August 2024)

Company Secretary

Aviva Company Secretarial Services Limited is appointed as the Company Secretary.

Future outlook

The future outlook in the business of the Company is discussed in the Strategic report on page 9.

Dividend

An interim dividend of £16,000,000 on the Company's ordinary shares was declared and settled during 2024 (2023: £10,000,000). The Directors do not recommend the payment of a final dividend for the financial year ended 31 December 2024 (2023: £nil).

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report, which includes a section describing the principal risks and uncertainties. In addition, the financial statements include a note on the Company's credit and liquidity risk, and the management of its risks including market, credit and liquidity risk (Note 14).

The Company and its ultimate holding company, Aviva plc, have considerable financial resources together with a diversified business model, with a spread of businesses and geographical reach. The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt, and to consider appropriate, the going concern basis in preparing the financial statements.

Events after the reporting period

There have been no events after the reporting period.

Overseas branches

The Company has no branch offices outside the UK.

Directors' report (continued)

Accounting records

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at the Company's registered office.

Employees

The Company has no employees (2023: none). Employees engaged in the activities of the Company are employed by a subsidiary undertaking of Aviva plc, Aviva Employment Services Limited, and the Company is recharged the cost of these employees.

Political donations

The Company did not make any political donations during the year (2023: £nil).

Disclosure of information to the auditors

In accordance with section 418 of the Companies Act 2006, the Directors in office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's External Auditors, Ernst & Young LLP, is unaware and each Director has taken all steps that ought to have been taken as a Director in order to make themselves aware of any relevant audit information and to establish that Ernst & Young LLP is aware of that information.

Supplier payment policy

The Directors are responsible for ensuring that the Company is compliant with the Prompt Payment of Accounts Act 1997, as amended by the European Communities (Late Payment in Commercial Transactions) Regulations 2002. It is the policy of the Company to pay for goods and services on presentation of an invoice by the supplier. Statements from suppliers showing amounts outstanding in excess of 30 days are immediately investigated and resolved as soon as possible.

Independent auditors

The Company's ultimate parent Company, Aviva plc is required to tender for the provision of the external audit every 10 years. Following a full and rigorous competitive tender process, which was overseen by the Aviva Group Audit Committee, the appointment of Ernst & Young LLP was approved by the Aviva plc Board and the appointment was confirmed by the Company's shareholder in September 2024. Ernst & Young LLP will have undertaken the external audit for the financial year ended 31 December 2024.

Qualifying indemnity provisions

Aviva plc, the Company's ultimate parent, granted in 2004 an indemnity to the Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985, which continue to apply in relation to any provision made before 1 October 2007. This indemnity is a 'qualifying third party indemnity' for the purposes of s309A to s309C of the Companies Act 1985. These qualifying third-party indemnity provisions remain in force as at the date of approving the Directors' report by virtue of paragraph 15, Schedule 3 of The Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007.

The Directors also have the benefit of the indemnity provision contained in the Company's articles of association, subject to the conditions set out in the Companies Act 2006. This is a 'qualifying third party indemnity' provision as defined by s234 of the Companies Act 2006.

Directors' report (continued)

Stakeholder engagement

Our statements summarising our employee engagement, and our engagement with suppliers, customers and our other stakeholders are included in our Strategic report on pages 5 to 8. The Board considers stakeholder engagement to be a matter of strategic importance.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

On behalf of the Board

DocuSigned by:
Matthew Kingdon
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M J W Kingdon
Director
23 April 2025

Independent auditors' report to the members of Aviva Investors UK Fund Services Limited

Opinion

We have audited the financial statements of Aviva Investors UK Fund Services Limited ('the Company') for the year ended 31 December 2024 which comprise of the Statement of comprehensive income, Statement of changes in equity, Statement of financial position, Statement of cash flows, and the related notes 1 to 16, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditors' report to the members of Aviva Investors UK Fund Services Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 13, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report to the members of Aviva Investors UK Fund Services Limited (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are the Companies Act 2006, the reporting framework, UK adopted international accounting standards and the relevant tax compliance regulations.
- We understood how Aviva Investors UK Fund Services Limited is complying with those frameworks by making inquiries with the Board of Directors, Audit Committee, Chief Operating Officer, Chief Finance Officer, members of senior management involved in Legal, Risk and Internal Audit. We corroborated our understanding through our review of minutes of meeting of the Board of Directors, Audit Committee and the Risk Committee and correspondence received from regulatory bodies. We read the key correspondence with the FCA to understand compliance with laws and regulations.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with Directors and management to understand where they considered there was susceptibility to fraud. We also considered the controls that management has established to address risks identified, or that otherwise prevent, deter and detect fraud and how management monitors these controls. We identified a fraud risk in relation to revenue recognition in addition to the presumed risk of management override of controls.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on manual journal entries and journal entries indicating large or unusual transactions based in our understanding of the business, enquiries with management and focused substantive testing.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006.Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Ernst & Young LLP
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Sarah Langston (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
London
24 April 2025

Statement of comprehensive income

For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Revenue	9	99,048	98,936
Cost of sales		(14,492)	(13,242)
Fee expense		(70,477)	(70,609)
Administrative expenses		(11,746)	(6,594)
Operating Profit		**2,333**	**8,491**
Realised gains from investments held at fair value through profit or loss		52	28
Finance income		1,891	847
Profit before tax		**4,276**	**9,366**
Tax charge	5(a)	(9)	(2,192)
Profit and total comprehensive income for the year		**4,267**	**7,174**

All amounts reported in the Statement of comprehensive income relate to continuing operations.

The accounting policies on pages 21 to 25 and notes on pages 26 to 37 are an integral part of these financial statements.

Statement of changes in equity

As at 31 December 2024

	Ordinary Share capital £'000	Retained earnings £'000	Total Equity £'000
Balance at 1 January 2023	**21,500**	**19,647**	**41,147**
Profit/loss and total comprehensive income for the year	-	7,174	7,174
Interim dividend of £0.46 per share	-	(10,000)	(10,000)
Balance at 31 December 2023	**21,500**	**16,821**	**38,321**
Profit and total comprehensive income for the year	-	4,267	4,267
Interim dividend of £0.74 per share	-	(16,000)	(16,000)
Balance at 31 December 2024	**21,500**	**5,088**	**26,588**

The accounting policies on pages 21 to 25 and notes on pages 26 to 37 are an integral part of these financial statements.

Statement of financial position

For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
ASSETS			
Non-current assets			
Deferred tax assets	6(b)	145	171
Total non-current assets		**145**	**171**
Current assets			
Investments designated at fair value through profit or loss	7,8	1,113	1,515
Trade and other receivables	10	57,126	83,665
Cash and cash equivalents	13(b)	31,869	41,424
Total current assets		**90,108**	**126,604**
Total asset		**90,253**	**126,775**
EQUITY AND LIABILITIES			
Equity			
Ordinary share capital	12	21,500	21,500
Retained earnings		5,088	16,821
Total equity		**26,588**	**38,321**
Non-current liabilities			
Tax liabilities	6(a)	-	2,203
Total non-current liabilities		**-**	**2,203**
Current liabilities			
Trade and other payables	11	61,479	84,341
Tax liabilities	6(a)	2,186	1,910
Total current liabilities		**63,665**	**86,251**
Total liabilities		**63,665**	**88,454**
Total equity and liabilities		**90,253**	**126,775**

The financial statements on pages 17 to 37 were approved by the Board on 23 April 2025 and were signed on its behalf by

M J W Kingdon
Director
23 April 2025

DocuSigned by:
Matthew Kingdon
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Statement of cash flows

For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Cash flows generated from/(used in) operating activities			
Cash generated from/(used in) operations	13(a)	6,464	(18,196)
Group relief paid		(1,910)	(1,481)
Net cash generated from/(used in) operating activities		4,554	(19,677)
Cash flows generated from investing activities			
Finance income		1,891	847
Net cash generated from investing activities		1,891	847
Cash flows used in financing activities			
Dividends paid		(16,000)	(10,000)
Net cash used in financing activities		(16,000)	(10,000)
Net decrease in cash and cash equivalents		**(9,555)**	**(28,830)**
Cash and cash equivalents at 1 January		41,424	70,254
Cash and cash equivalents at 31 December	13(b)	**31,869**	**41,424**

The accounting policies on pages 21 to 25 and notes on pages 26 to 37 are an integral part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2024

1. Accounting Policies

The Company is a private limited company, incorporated and domiciled in the UK.

The principal accounting policies adopted in the preparation of the Company's financial statements are set out below and have been applied consistently throughout the financial statements.

(A) Basis of presentation

The financial statements are prepared under the historical cost convention, except for those financial assets and financial liabilities that have been measured at fair value. Items included in the financial statements are measured in the currency of the primary economic environment in which the Company operates ('the functional currency'). The Company's presentational currency is pounds sterling. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£'000).

Statement of compliance

The Company's financial statements have been prepared and approved by the Directors in accordance with UK-adopted international accounting standards and the requirements of the Companies Act 2006. The Company's financial statements have been prepared on a going concern basis.

New standards, interpretations and amendments to published standards that have been adopted by the Company

The Company has adopted the following amendments to standards which became effective for annual reporting periods beginning on 1 January 2024. The amendments have been issued and endorsed by the UK and do not have a significant impact on the Company's financial statements.

(i) Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

(ii) Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback

(iii) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures: Supplier Finance Arrangements

1. Accounting Policies (continued)

(A) Basis of presentation (continued)

Standards, interpretations and amendments to published standards that are not yet effective and have not been adopted early by the Company

The following new standards and amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Company's financial statements:

(i) ***Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability***
Published by the IASB in August 2023. The amendments are effective for annual reporting beginning on or after 1 January 2025 and have been endorsed by the UK.

(ii) ***IFRS 18 Presentation and Disclosure of Financial Statements***
Published by the IASB in April 2024. The amendments are effective for annual reporting beginning on or after 1 January 2027 and have yet to be endorsed by the UK.

(iii) ***Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments***
Published by the IASB in May 2024. The amendments are effective for annual reporting beginning on or after 1 January 2026 and have been endorsed by the UK.

(iv) ***IFRS 19 Subsidiaries without Public Accountability: Disclosures***
Published by the IASB in May 2024. The amendments are effective for annual reporting beginning on or after 1 January 2027 and have yet to be endorsed by the UK.

(v) ***Annual improvements to IFRS Accounting Standards - Volume 11: Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7***
Published by the IASB in July 2024. The amendments are effective for annual reporting beginning on or after 1 January 2026 and have been endorsed by the UK..

(vi) ***Contracts Referencing Nature-dependent Electricity: Amendments to IFRS 9 and IFRS 7***
Published by the IASB in December 2024. The amendments are effective for annual reporting beginning on or after 1 January 2026 and have yet to be endorsed by the UK.

(B) Critical accounting policies and use of estimates

The preparation of the Company's financial statements requires the Company to select accounting policies and make estimates and assumptions that affect items reported in the Statement of financial position and Statement of comprehensive income, other primary statements and notes to the financial statements.

In the application of the Company’s accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and their predictions of future events and actions. Actual results may differ from those estimates, possibly significantly.

The table below sets out those items we consider particularly susceptible to changes in estimates and assumptions, and the relevant accounting policy.

Item	**Accounting policy**
Revenue recognition (management fees)	D

1. Accounting Policies (continued)

(C) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the Statement of comprehensive income.

Assets and liabilities held in foreign currencies at the year end have been translated at the prevailing rate at 31 December 2024.

(D) Revenue recognition

Fund management fees ('FMFs') derived from OEICs and Authorised Unit Trust funds, annual management charges ('AMCs') derived from ACSs, and investment management fees derived from the ELPs in the Company's capacity as a fund manager, are recognised as revenue over time, as performance obligations are satisfied. In most cases revenue is recognised in the same period in which the fees are charged.

The Company holds shares in OEICs and units in authorised unit trusts (see Note 7) to facilitate the efficient management of the demand for shares and units by the customers (Managers box). Managers box profits or losses are calculated as:

- The difference between the cost of purchasing redeemed units at cancellation prices and reselling them at creation prices for those funds which are dual priced; and
- Any increase in the value of shares or units held in the Managers box, as a result of price fluctuations over a valuation point.

Box profits or losses are recognised when the related transaction occurs. Box profits or losses are recognised as realised gains or losses from investments designated as trading on the Statement of comprehensive income.

Fees that are related to services to be provided in future periods are deferred and recognised when the performance obligation is fulfilled. Variable consideration, such as performance fees subject to clawback, is not recognised as revenue until it is reasonably certain that no significant reversal of amounts recognised would occur.

When the value of the underlying assets is unavailable at year end during the preparation of financial statements, fees are estimated based on management's best estimate of the underlying assets' value.

All revenue is net of any value added tax, rebates and distribution allowances. All revenue is attributable to continuing activities and arises in the UK.

(E) Cost of sales

Cost of sales comprises the directly attributable costs of the ACS funds which are fully recharged and included in revenue, and various fees in respect of OEICs and authorised unit trusts.

(F) Fee expense

Fees are payable for investment management services provided by other Aviva Investors companies and other external fund managers under sub delegation and sub-advisory agreements, and is recognised on an accruals basis as it is earned and is recognised net of VAT or any rebates.

1. Accounting Policies (continued)

(G) Investments held at fair value

Investments comprise shares and units which are held by the Company to facilitate the efficient management of the demand for shares and units by the customers. Shares and units are recorded at fair value with changes in fair value being taken to the Statement of comprehensive income. In general, the fair value category is used as, in most cases, the Company's investment or risk management strategy is to manage its financial investments on a fair value basis.

Purchases and sales of instruments are recognised on the trade date, which is the date that the Company commits to purchase or sell the assets, at their fair value less transaction costs. Instruments carried at fair value are measured using a fair value hierarchy, described in Note 8, with value based on quoted bid prices.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. This presumes that the transaction takes place in the principal (or most advantageous) market under current market conditions. Fair value is a market-based measure and in the absence of observable market prices in an active market, it is measured using the assumptions that market participants would use when pricing the asset or liability.

(H) Receivables and payables

Receivables and payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(I) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Such investments are those with less than 90 days maturity from the date of acquisition, or which are redeemable on demand with only an insignificant change in their fair values.

(J) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, where it is more probable that not an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Contingent liabilities are disclosed if there is a possible future obligation as a result of a past event, or if there is a present obligation as a result of a past event but either a payment is not probable or the amount cannot be reasonably estimated.

Contingent assets are disclosed if there is a possible future benefit as a result of a past event, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is only disclosed when the recognition criteria is virtually certain.

1. Accounting Policies (continued)

(K) Income tax

The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits before taxation and amounts charged or credited to components of other comprehensive income and equity as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The rates enacted or substantively enacted at the statement of financial position date are used to value the deferred tax assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Where there is a history of tax losses, deferred tax assets are only recognised in excess of deferred tax liabilities if there is convincing evidence that future profits will be available.

Deferred tax is provided on any temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred taxes are not provided in respect of any temporary differences arising from the initial recognition of goodwill, or from the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting profit nor taxable profit or loss at the time of the transaction.

Current and deferred tax relating to items recognised in other comprehensive income and directly in equity are similarly recognised in other comprehensive income and directly in equity respectively, except for the tax consequences of distributions from certain equity instruments, to be recognised in the income statement.

Deferred tax related to any fair value re-measurement of investments, held at fair value through other comprehensive income, owner-occupied properties, pensions and other post-retirement obligations and other amounts charged or credited directly to other comprehensive income is recognised in the statement of financial position as a deferred tax asset or liability.

(L) Share capital

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable. Therefore, the Company's share capital is considered to be an equity instrument.

(M) Dividends

Interim dividends on ordinary shares are recognised in equity in the period in which they are paid. Final dividends on ordinary shares are recognised in equity in the year in which the Company's obligation to make the dividend payment arises.

2. Directors' emoluments

Ms Coates, Mr Craston and Ms Lowe were non-executive Directors. The amount of time spent by Mr Craston performing duties for the Company was incidental to his role across the Aviva Investors Group, and his fees were paid for and borne by a fellow subsidiary of the Company, Aviva Investors Global Services Limited. Ms Coates and Ms Lowe have fees directly attributable to the Company. The other Directors are remunerated in respect of their services in connection with the management of the affairs of the Aviva Investors' business as a whole. There has been an allocation to the Company of fees in respect of the services of the other Directors.

Emoluments of Directors in office during 2024 and 2023 were:

	2024 £'000	2023 £'000
Aggregate emoluments in respect of qualifying services	289	295
Value of Long Term Incentive Plan ('LTIP') awards	72	46
	361	**341**

Emoluments of the highest paid Director:	2024 £'000	2023 £'000
Aggregate emoluments in respect of qualifying services and LTIP awards	83	67

The highest paid Director had awards vesting under the LTIP during the year.

During the year none (2023: two) of the Directors exercised share options and four (2023: three) Directors had awards vesting under the LTIP, and one (2023: none) Director received employer contribution of retirement benefits under the money purchase scheme.

Employer contributions to pensions for Directors for qualifying periods were £525,000 (2023: £nil).

3. Auditors' remuneration

Auditors' remuneration in relation to the Company for 2024 was £114,000 (2023: £77,000 payable to predecessor auditors).

Fees paid to the auditors for services other than the statutory audit of the Company are not disclosed in these financial statements since the consolidated financial statements of the Company's ultimate parent company, Aviva plc, are required to disclose other non-audit services on a consolidated basis.

4. Employee information

The Company has no employees (2023: none). Employees engaged in the activities of the Company are employed by a subsidiary undertaking of Aviva plc, Aviva Employment Services Limited, and the Company is recharged the cost of these employees.

5. Tax

(a) Tax charged to the Statement of comprehensive income

(i) The total tax charge comprises:

	2024 £'000	2023 £'000
Current tax		
Tax (credit)/charge for the current year	-	2,203
Adjustments in respect of prior years	(17)	33
Total current tax	(17)	2,236
Deferred tax		
Origination and reversal of temporary differences	26	(44)
Total deferred tax	26	(44)
Total tax charged to the Statement of comprehensive income	**9**	**2,192**

(ii) The tax charge above, comprising current and deferred tax, can be analysed as follows:

	2024 £'000	2023 £'000
United Kingdom tax	**9**	**2,192**

(iii) There were no unrecognised tax losses or temporary differences of previous years used to reduce the tax charge in either 2024 or 2023.

(iv) Deferred tax charged/(credited) to the Statement of comprehensive income represents movements on the following items:

	2024 £'000	2023 £'000
Provisions and other temporary differences	25	(45)
Accelerated capital allowances	1	1
Total deferred tax charged/(credited) to Statement of comprehensive income	**26**	**(44)**

5. Tax (continued)

(b) Tax reconciliation

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate of the UK as follows:

	2024 £'000	2023 £'000
Profit before tax	4,276	9,366
Tax calculated at standard UK corporation tax rate of 25% (2023: 23.5%)	1,069	2,201
Adjustments to tax charge in respect of prior year	8	(12)
Disallowable expenses	7	3
Surrender of losses from group undertakings for no charge	(1,075)	-
Total tax charged to the Statement of comprehensive income (Note 5(a))	**9**	**2,192**

The Company (as part of the Aviva Group) is subject to the reform of the international tax system proposed by The Organisation for Economic Co-operation and Development (OECD) which introduces a global minimum effective rate of corporation tax of 15% and took effect in the current period. No current tax charge is included in respect of these provisions. No amount is recorded in 2023 as the tax had not been introduced in this period.

In accordance with the amendments to IAS 12, endorsed in the UK on 19 July 2023, the Company has applied the exemption and not provided for deferred tax in respect of the global minimum tax reforms.

6. Tax assets and liabilities

(a) General

Current tax liabilities payable in more than one year are £nil (2023: £2,203,000).

Liabilities for prior years' tax to be settled by way of group relief of £2,186,000 (2023: £1,910,000) are payable within one year.

(b) Deferred taxes

(i) The balance at 31 December comprises:	2024 £'000	2023 £'000
Provisions and other temporary differences	141	166
Accelerated capital allowances	4	5
Net deferred tax asset	**145**	**171**
(ii) The movement in the deferred tax asset was as follows:		
Net deferred tax asset at 1 January	171	127
Amounts (charged)/credited to the statement of comprehensive income	(26)	44
Net deferred tax asset at 31 December	**145**	**171**

The Company does not have any unrecognised temporary differences at the year end (2023: £nil).

7. Investments designated at fair value through profit or loss

	2024 £'000	2023 £'000
Shares in OEICs and units in authorised unit trusts	1,113	1,515

8. Fair Value Methodology

The measurements basis for investments carried at fair value are categorised into a 'fair value hierarchy' based on the degree of subjectivity associated with the data used to value each asset.

i) Quoted market prices in active markets - ('Level 1')

Assets classed as Level 1 in the hierarchy are valued based on unadjusted quoted prices in active markets. An active market is one in which transactions for the assets occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

At year end, the Company had assets of £1,113,000 (2023: £1,515,000), the value based on quoted market prices in active markets.

ii) Internal models with significant observable market parameters - ('Level 2')

Assets classed as Level 2 in the hierarchy are valued based on inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. If the asset has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset. Level 2 inputs include the following:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in markets that are not active, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly;
- Inputs, other than quoted prices, that is observable for the asset for example, interest rates and yield curves observable at commonly quoted intervals; and
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

At year end, the Company held no Level 2 assets (2023: £nil).

iii) Internal models with significant unobservable market parameters - ('Level 3')

Assets classed as Level 3 in the hierarchy are based on inputs that are unobservable based on available published market data. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date (or market information for inputs to any valuation models). As such, unobservable inputs reflect the assumptions that the Company considers that market participants would use in pricing the asset.

At year end, the Company held no Level 3 assets (2023: £nil). There were no transfers into or out of Level 3 during the year.

No transfers between levels of the fair value hierarchy are deemed to have occurred during the current and comparative reporting periods.

Notes to the financial statements

For the year ended 31 December 2024

9. Interests in structured entities

A structured entity is defined as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements.

The Company acts as fund manager for certain investment funds and specialised investment vehicles and makes management decisions after extensive due diligence of the underlying investment vehicle including consideration of its strategy (to provide investors with a variety of investment opportunities through managed investments strategies). The Company is compensated by the respective investment vehicles for their services. Such compensation generally consists of a Fund Management Fee that is taken from the funds to cover a range of expenses including the amount retained by the Company.

(a) Interests in consolidated structured entities

The Company does not have control over any investment vehicles. It does not provide financial support in the form of a loan, guarantee or non-contractual letter of support to any structured entity.

(b) Interests in unconsolidated structured entities

The Company has an interest in unconsolidated structured entities as it holds shares in OEIC's and units in authorised unit trusts (see Note 7) to facilitate the efficient management of the demand for shares and units by the customers. As part of its investment activities, the Company also invests in the Aviva Investors Sterling Liquidity Fund. As at 31 December 2024, the Company's total interest in this unconsolidated structured entity, classified as 'Cash equivalents' on the Statement of financial position, was £18,600,000 (2023: £nil).

(c) Other interests in unconsolidated structured entities

Fees received for investments that the Company manages but does not have a holding in represent an 'other interest' in unconsolidated structured entities. The investment risk is borne by the underlying investors and therefore the Company's maximum exposure to loss relates to future fee income. Disclosures in relation to risk management are given in Note 14.

The table below shows the total funds under management ('FUM') within investment vehicles that the Company manages but does not have a holding in and the fees earned from the management of those vehicles.

	2024		**2023**	
	FUM at year end £'m	**Revenue £'000**	**FUM at year end £'m**	**Revenue £'000**
Investment funds:				
Analysed as:				
Open ended investment vehicles and authorised unit trusts	14,902	40,353	16,484	40,960
English Limited Partnerships	4,776	19,698	5,792	24,199
Authorised Contractual Schemes	64,540	38,997	67,854	33,777
Total	**84,218**	**99,048**	**90,130**	**98,936**

10. Trade and other receivables

	2024 £'000	2023 £'000
Trade receivables	15,264	11,469
Amounts due from fellow subsidiaries	1,603	-
Other receivables	16,249	41,123
Accrued income	23,739	30,778
Prepayments	271	295
	57,126	**83,665**

None of the above total (2023: £nil) is expected to be recovered more than one year after the Statement of financial position date.

There is no difference in the value at contractual maturity and the value in the financial statements.

Other receivables predominantly represent unsettled client investments and liquidations which are offset by corresponding fund creations and repurchase deals disclosed within Note 11 as Other financial liabilities.

Financial assets are categorised as amortised cost under IFRS 9 *Financial Instruments*. The Directors consider that the carrying value of all trade and other receivables equates to fair value. There are no material expected credit losses over the lifetime of the financial assets.

Accrued income includes income earned but not yet billed at the year-end.

11. Trade and other payables

	2024 £'000	2023 £'000
Amounts due to fellow subsidiaries	19,117	6,060
Trade creditors	11,085	14,111
Other financial liabilities	16,694	42,207
Accruals	14,583	21,963
	61,479	**84,341**

None of the above total (2023: £nil) is expected to be paid more than one year after the Statement of financial position date. Other financial liabilities predominantly represent unsettled fund creations and repurchase deals which are offset by the corresponding client investments and liquidations disclosed within Note 10 as Other receivables.

12. Ordinary share capital

	2024 £'000	2023 £'000
The allotted, called up and fully paid share capital of the Company at 31 December 2024 was: 21,500,000 (2023: 21,500,000) ordinary shares of £1 each	21,500	21,500

All the ordinary shares in issue carry the same right to receive all dividends and other distributions declared, made or paid by the Company.

13. Additional cash flow information

(a) The reconciliation of profit before tax to the net cash generated from/(used in) operating activities is:

	2024 £'000	2023 £'000
Profit before tax	4,276	9,366
Adjustments for:		
Finance income	(1,891)	(847)
Changes in working capital:		
Decrease in financial instruments at fair value	402	459
Decrease/(increase) in receivables and prepayments	26,539	(6,692)
Decrease in payables and other financial liabilities	(22,862)	(20,482)
Cash generated from/(used in) operations	**6,464**	**(18,196)**

(b) The cash and cash equivalents consist of:

	2024 £'000	2023 £'000
Cash at bank and in hand	31,869	41,424

14. Risk and capital management policies

(a) Overview

The Company seeks to optimise its business performance subject to remaining within risk appetite and meeting stakeholders' expectations. This is achieved by embedding rigorous and consistent risk management. The Company's Risk Management Framework ('RMF') includes the strategies, policies, processes, culture, governance arrangements, tools, and reporting procedures necessary to support this. The RMF incorporates the Aviva plc Risk Management Policies and has been adapted, where appropriate, to the needs and requirements of the Company.

Aviva Group is committed to working with other businesses, governments, regulators and communities to help get ready for the challenges and opportunities for the future; and to help enable the transition to a low-carbon world. We believe that material ESG insights can have a fundamental impact on clients' investments returns and outcomes. We aim to integrate financially material ESG insights into our investment process, so we are able to better manage risk, identify investment opportunities and support the delivery of long-term risk-adjusted returns. We also recognise the potential to maximise the long-term value of our clients' investments through engagement with various actors within the financial system - what we call 'holistic stewardship'.

We are acting now to mitigate and manage the impact of climate change on our business. Aviva Investors, in collaboration with Aviva Group, continues to deepen its understanding of sustainability risk. As the understanding deepens, changes may be proposed to this Risk Appetite Statement for which out of cycle approvals may be sought from the relevant Aviva Investors' Boards.

Aviva Investors incorporates into its investment processes consideration of material ESG insights in an increasingly systematic and robust way. Our approach is grounded in depth, breadth and connected nature of our ESG integration processes which draw upon quantitative and qualitative insights across a range of asset classes and geographies, as well as on the holistic nature of our stewardship efforts that span different asset classes and take a systemic approach to risk management. Our portfolio managers are empowered to make the right decisions in the best interests of our clients, supported by sustainability capabilities that are integrated into our investment franchises via specialist teams. Aviva Investors also plays an integral role in Aviva Group's overall ambition to be Net Zero by 2040 as well as in the application of a coordinated exclusions approach.

Further information on Aviva Investors' climate-related financial risks and opportunities can be found in the Aviva climate-related financial disclosure report available at https://www.aviva.com/sustainability/reporting/climate-related-financial-disclosure/.

The Group continues to monitor emerging/dynamic risks which may impact Aviva Investors or the wider industry. Various global conflicts (including those in Russia/Ukraine and the Middle East), as well as the introduction of tariffs by the new US Administration and the resulting trade war with China and other key trading partners, continue to create significant uncertainty in financial markets. Economically, persistent inflation is impacting all sectors and creating significant cost pressures for businesses and families, whereas the continued threat of a prolonged global recession risks to further depress demand and significantly impact the business models of UK asset managers. Furthermore, the strategic and regulatory expectations associated with sustainable investing and the continued evolution of generative AI could result in several unforeseen risks and opportunities for the industry.

The RMF is used to monitor and manage risks in dynamic situations. The Aviva Group and Aviva Investors crisis management framework would be utilised to assess the response, provide strategic direction and manage communications in light of a severe event.

Further information on the types and management of specific risk types is given below:

14. Risk and capital management policies (continued)

(b) Operational risk

Operational risk is defined as the current or prospective risk of loss arising from inadequate or failed internal processes, personnel or systems, or from external events. This definition includes legal risk but excludes strategic and reputational risk.

The Company monitors the health of the business by considering key leading and lagging indicators - for example risk events and review results - on the residual risk profile against tolerances (granular limits), appetites (aggregated limits) and strategic targets.

Exposures exceeding tolerances and appetites are prioritised for resolution using rigorous issue and remediation processes. Progress of remediation is monitored by the relevant risk owners to early identify risks not on track to return to tolerance or appetite. In such instances, risk owners are required to decide how best to manage the risk exposure (e.g., additional allocation of resources to increase speed of remediation, tactical or short-term solutions until resolution is completed, etc.).

The Company continues to undergo significant transformation projects in order to enhance the existing operating model. Project teams have been established to monitor ongoing project delivery.

(c) Regulatory compliance

The Company is authorised and regulated by the FCA. The FCA has broad powers including the authority to grant, vary the terms of, or cancel a regulated firm's authorisation; to investigate marketing and sales practices; and to require the maintenance of adequate financial resources. The Company has compliance resources to respond to regulatory enquiries in a constructive way and take corrective action when warranted. However, all regulated financial services companies face the risk that their regulator could find that they have failed to comply with applicable regulations or have not undertaken corrective action as required.

The impact of any such finding or negative perception regarding the Company could have a negative impact on the Company's reported results or on its relations with current and potential clients. Regulatory action against the Company could result in adverse publicity for the Company or could have a material adverse effect on the business of the Company, its results of operations and/or financial condition and divert management's attention from the day-to-day management of the business.

(d) Market risk

Market risk is the current or prospective risk of loss arising from movements in market prices, such as:

- Adverse changes in the financial situation (including the value of assets, liabilities and income) resulting, directly or indirectly, from fluctuations in foreign exchange balances; and
- Adverse changes in the value of units held by the Company as part of the OEIC managers box.

The Company uses a number of risk management tools to understand the volatility of earnings, the Company’s capital requirements, and to manage the capital more efficiently.

Sensitivities to economic and operating experience are regularly produced on all of the key financial performance indicators as part of the Company’s decision making and planning process, and to set the framework for identifying and quantifying the risks to which the Company is exposed.

Some results of sensitivity testing for the business are set out below:

Sensitivity Factor	Description of sensitivity factor applied
Property and equity market values	The impact of a change in equity market values by +/- 10%

The above sensitivity factor is applied on the managers box position, with the following pre-tax impacts on profit and shareholders’ equity at 31 December:

14. Risk and capital management policies (continued)

(d) Market risk (continued)

i) Results of sensitivity analysis

The results of sensitivity testing for changes in property and equity prices are set out below. For each sensitivity test only the impact of the property and equity price change is shown, with other assumptions left unchanged.

	2024	
	Property/Equity +10%	**Property/Equity -10%**
Impact on profit before tax (£'000)	111	(111)
Impact before tax on shareholders' equity (£'000)	111	(111)

	2023	
	Property/Equity +10%	**Property/Equity -10%**
Impact on profit before tax (£'000)	151	(151)
Impact before tax on shareholders' equity (£'000)	151	(151)

ii) Limitations of sensitivity analysis

The above table demonstrates the effect of a change in property and equity prices whilst other assumptions remain unaffected. In reality, such an occurrence is remote, due to correlations between the assumptions and other factors. It should also be noted that these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results.

The sensitivity analyses do not take into consideration that the Company's assets and liabilities are actively managed and may be different at the time that any actual market movement occurs.

Other limitations in the above sensitivity analyses include the use of hypothetical market movements to demonstrate potential risk that only represent our view of reasonably possible near-term changes that cannot be predicted with any certainty; and the assumption that interest rates move in an identical fashion.

(e) Credit / counterparty risk

Credit / counterparty risk is the current or prospective risk of loss arising from adverse financial impacts due to fluctuations in credit quality of third parties including default.

Credit risk is managed conservatively in accordance with Aviva Investors Investment Policy Statement. This document establishes the governance, principals and parameters for the management of credit risk, including the minimum requirements that counterparties must adhere to in order for Aviva Investors to invest cash with that counterparty.

14. Risk and capital management policies (continued)

(e) Credit / counterparty risk (continued)

Aviva Investors manage and monitor exposures across all business units on a consolidated basis. The Aviva Investors Investment Policy Statement applies the principles laid out in the Aviva Group's Credit Risk Policy and Credit Collateral Management Business Standard. The latter policy establishes the governance, principals and parameters for the management of credit risk, including the minimum requirements that counterparties must adhere to. Processes and control activities have been implemented to manage, mitigate and monitor credit risk. Credit exposures are identified, evaluated and managed in accordance with best practice and agreed risk appetite, so as to ensure that risks are managed within bounds acceptable to clients, the Aviva Investors Director of Investment Risk and, where appropriate, the Aviva Group Credit Risk Director.

The Company's maximum exposure to credit risk is associated with its trade and other receivables including unsettled trades, cash and cash equivalents. A significant amount of business relates to the Aviva group of companies and exposure is managed through regular payments on account. Credit risk on cash and cash equivalents is considered low.

(f) Liquidity risk

Liquidity risk is defined as the current or prospective risk of loss that liabilities cannot be met, in a timely and cost-effective manner, as they fall due.

The Company seeks to ensure that it maintains sufficient financial resources to meet its obligations as they fall due through the application of the Aviva Group Liquidity Risk Business Standard and Financial Risk Policy. A liquidity risk appetite requires that sufficient liquid resources be maintained to cover net outflows.

The Company manages liquidity risk by maintaining adequate reserves, continuously monitoring actual and forecast cash flows, and matching maturity profiles of financial assets and financial liabilities.

The Company's financial liabilities and tax liabilities, to be settled within 1 year, are analysed in Note 11 and Note 6 respectively. It is anticipated that the Company is able to settle any financial liabilities when required.

(g) Capital management

Capital is managed within the regulatory framework in which the Company operates with the purpose of maintaining a strong capital base to uphold investor, creditor and market confidence and sustain the future development of the business.

The sufficiency of regulatory and internal risk-based capital for the Group (in scope for UK regulatory reporting) and for the Company is monitored against approved risk appetites at the Aviva Investors Finance Committee. Any capital in excess of the minimum requirements is freely transferable as dividends.

As at 31 December 2024, the Company had capital resources in excess of the minimum regulatory and internal risk-based requirement.

Regulatory capital

The disclosure requirements in the FCA's Prudential Sourcebook for Investment Businesses (IPRU INV) apply to the Company on a solo-level basis.

The Company is a collective portfolio management firm (according to the FCA's definition and scope of permitted regulated activities) and its minimum Capital Resources Requirement (CRR) is the higher of the fixed overheads requirement and the FUM requirement. For the Company, the higher of these is the FUM requirement.

In addition to regulatory capital, the Company holds capital resources to safeguard, with a 99.5% level of confidence, against the material risks faced. The required amount of capital is determined using internally approved methodology and is subject to approval by the Company's Board. Capital resources are to exceed the higher of regulatory or internal risk-based requirement. As at 31 December 2024, the Company had capital resources in excess of the minimum regulatory and internal risk-based requirement.

15. Related party transactions

	2024 £'000	2023 £'000
Income from related parties		
Fellow subsidiaries	20,419	16,225
Expenses to related parties		
Fellow subsidiaries	54,019	56,833
Receivable at year end		
Fellow subsidiaries	1,603	-
Payable at year end		
Fellow subsidiaries	19,117	6,060

The related parties' receivables are not secured and no guarantees were received in respect thereof. The receivables will be settled in accordance with normal credit terms.

The related parties' payables are not secured and no guarantees were issued in respect thereof.

(a) Key management compensation

The members of the Company Board of Directors are listed on page 3 of these financial statements. There are no amounts receivable from or payments due to members of the Company Board of Directors. The Directors are considered to be the Company's only key management personnel. Details of the remuneration arrangements of the Directors of the Company are included in Note 2.

(b) Ultimate controlling party

The immediate parent undertaking of the Company is Aviva Investors Holdings Limited.

The ultimate parent undertaking and controlling party of the Company is Aviva plc, a company incorporated in the UK.

Aviva plc is the parent undertaking of both the largest and the smallest group of undertakings to consolidate these financial statements at 31 December 2024. The consolidated financial statements of Aviva plc are available at www.aviva.com or on application to:

Group Company Secretary
Aviva plc
80 Fenchurch Street
London
EC3M 4AE

16. Events after the reporting period

There have been no events after the reporting period.